

Demand Response

"The cleanest kilowatt-hour is the one never generated."

Cooperatives believe that the cleanest kilowatt-hour is the one that is never generated. Holding to this principle, Pennsylvania and New Jersey electric cooperatives launched the Coordinated Load Management System in 1986. This demand response network, whose participants include more than 5,500 Valley Rural Electric Cooperative consumers, currently boasts the capability to reduce approximately 8 to 10 percent of the entire cooperative system's peak load. Since the program's inception, this has resulted in power cost savings of more than \$150 million statewide for cooperative members. Cooperatives are currently expanding this demand-side load reduction system to help further reduce the need for additional generation and assist members with the efficient use of energy.

What is peak demand, and why is reducing it important?

Electricity is produced for immediate use; it cannot be stored economically. Power plants must meet electricity requirements at all times. Peak demand refers to those periods when electric consumers collectively use the most electricity. Generally, prices are higher during demand peaks. The price you pay for electricity is partially based on how much power is used by all consumers during the peaks.

When are the peaks?

Peak demand can occur weekdays any time between 7 a.m. and 10 p.m. However, summertime peaks typically occur on those hot, humid weekdays when air conditioners are working the hardest to keep us comfortable.

How does demand response work?

First, an electric co-op consumer volunteers to have a demand response unit (DRU) installed on an electric water heater. Meanwhile, computers monitor electricity demand and weather data. When demand reaches an extremely high level, an operator sends a signal over electric lines and the DRUs temporarily switch off power to the equipment to which they are connected.

Who can participate in the program?

Cooperative members with heat-pump or storage-tank water heaters may be eligible. (Heat pump water heaters must be kept in hybrid mode.)

What does Valley offer to participants?

Valley is currently giving a \$100 bill credit to new program participants. Also, a \$2/gallon rebate (for tanks from 40 to 79 gallons) or a \$3/gallon rebate (for tanks that hold 80 gallons or more) is available to members who purchase a new electric water heater. The tank's energy factor must be 0.9 or higher, and the members must agree to participate in demand response.

Call 800/432-0680 or email memberservices@valleyrec.com to see if you qualify.

Here's what our members are saying



"It's a no-brainer. Being in a co-op, you're a co-owner. You're helping yourself and other members through this program. And we've never run out of hot water."

- Jeffrey

"I don't see any difference. It hasn't inconvenienced us."

- Patty

*Jeffrey and Patty Cannin
Penn Township, Huntingdon County
DRU install date: July 23, 2015*



"We're definitely happy with the program. Our concern at first was that we would be doing something around the house and run out of hot water. That hasn't happened."

*C. David Snare
Cass Township, Huntingdon County
DRU install date: April 11, 2013*